

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS  
OFFICIAL MINUTES  
PUBLIC HEARING  
MAY 20, 2002  
6:00 P.M.  
(One-Half Cent Local Option Sales Tax)**

**Pursuant to notice duly advertised and posted, the Brunswick County Board of Commissioners conducted a Public Hearing on the above date at 6:00 p.m., Commissioners' Chambers, Public Assembly Building, County Government Center, Bolivia, North Carolina.**

PRESENT:                   Commissioner Donald E. Warren, Chairman  
                                  Commissioner May W. Moore, Vice Chairman  
                                  Commissioner David R. Sandifer  
                                  Commissioner Tom B. Rabon, Sr.  
                                  Commissioner William M. Sue

STAFF:                     Marty K. Lawing, County Manager  
                                  Steve Stone, Assistant County Manager  
                                  Huey Marshall, County Attorney  
                                  Mark Seagle, Assistant County Attorney  
                                  Debby Gore, Clerk to the Board  
                                  Margie Stephenson, Deputy Clerk  
                                  Lithia E. Brooks, Director of Fiscal Operations

**I. CALL TO ORDER**

Chairman Warren called the Public Hearing to order at 6:00 p.m., and announced that the purpose of the Public Hearing was to receive public comments concerning the One-half Cent Local Option Sales Tax.

Lithia Brooks, Fiscal Operations Director, explained that the State Budget Act of 2001 (Senate Bill 1005) enacted Article 44 of General Statute 105. This article increased the State sales tax by one-half cent in October 2001 as a part of the package to balance the State budget. This new State sales tax is temporary and will sunset on June 30, 2003.

The State's budget balancing package also included a provision that discontinues the State reimbursements to local governments in the 2003-2004 fiscal year. To replace these revenues, the State has authorized counties to enact an additional one-half cent local option sales tax when the State's one-half cent sales tax ends.

Counties may enact the new sales tax any time by resolution of the Board of County Commissioners. However, the new local option sales tax cannot become effective before July 1, 2003. A Public Hearing is required for this Article.

**II. PUBLIC COMMENTS**

Chairman Warren asked if any members of the audience wished to address the Board of the proposed amendment.

1. Lee Weddig, Alliance of Brunswick County Property Owners, spoke in support of the half-cent sales tax stating the Board has no choice except to approve for the benefit of Brunswick County citizens.

### **III. ADJOURNMENT**

Commissioner Sandifer moved to adjourn the Public Hearing at 6:09 p.m. The vote of approval was unanimous.

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Donald E. Warren, Chairman

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Deborah (Debby) Gore, Clerk to the Board

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS  
OFFICIAL MINUTES  
REGULAR MEETING  
MAY 20, 2002  
6:30 P.M.**

**The Brunswick County Board of Commissioners met in Regular Session on the above date at 6:30 p.m., Commissioners' Chambers, Public Assembly Building, County Government Center, Bolivia, North Carolina.**

PRESENT: Commissioner Donald E. Warren, Chairman  
Commissioner May Moore, Vice-Chairman  
Commissioner David Sandifer  
Commissioner Tom B. Rabon, Sr.  
Commissioner William M. Sue

STAFF: Marty K. Lawing, County Manager  
Steve Stone, Assistant County Manager  
Huey Marshall, County Attorney  
Mark Seagle, Assistant County Attorney  
Debby Gore, Clerk to the Board  
Margie Stephenson, Deputy Clerk  
Lithia E. Brooks, Fiscal Operations Director

**I. CALL TO ORDER**

Chairman Warren called the meeting to order at 6:30 p.m.

**II. INVOCATION/PLEDGE OF ALLEGIANCE**

Commissioner Sue gave the Invocation and led the Pledge of Allegiance.

**III. ADJUSTMENTS/APPROVAL OF AGENDA**

Chairman Warren asked if there were any adjustments to the agenda. The following adjustments were made:

1. Vice-Chairman Moore requested to move Administrative Report Item #5 before Public Comments to allow Nancy Keziah, Chairman of the Library Board to attend a 7:00 p.m. Library Board Meeting.

2. Vice-Chairman Moore requested to table Item #4 under Board Appointments, Region O Aging Advisory Council.

Commissioner Sandifer moved to approve the agenda with the adjustments included. The vote of approval was unanimous.

*\*Administrative Report Item #5 was heard at this time. See below for action.*

#### **IV. PUBLIC COMMENTS**

Chairman Warren asked if there was anyone in the audience who wished to speak regarding any item on the agenda or any matter that was not included in the agenda.

#### **V. APPROVAL OF CONSENT AGENDA**

Commissioner Sandifer moved to approve the Consent Agenda. The vote of approval was unanimous. The following items were approved:

**A. Minutes**

1. Public Hearing Minutes of May 6, 2002 at 4:30 p.m.
2. Public Hearing Minutes of May 6, 2002 at 5:45 p.m.
3. Regular Meeting Minutes of May 6, 2002

**B. Tax Matters**

1. Approve Tax Releases for May 2002
2. Approve Fire Fee Releases for May 2002
3. Approve January 2002 Motor Vehicle Valuation & Levy

**C. Finance – FY 2001-2002**

We are in receipt of the following FY 2001-2002 budget amendment requests:

1) Parks & Recreation

\$2,073 Increase                      Special Events Revenue

This amendment represents revenue already received for the Special Events programs administered by the Parks & Recreation Department. This additional revenue will be used to offset expenditures related to these programs. County funds are not involved.

2) Southeastern Mental Health

\$10,000 Increase                      5 Cents Per Bottle Revenue

This amendment represents the amount we have estimated to collect over budget as of June 30, 2002 for the 5 cents per bottle revenue that is required by general statute to be remitted to Southeastern Mental Health. County funds are not involved.

3) Sheriff's Department - School Resource Officers

\$57,000 Increase                      Brunswick County School System Revenue

This amendment represents the amount that has been estimated over budget for the School Resource Officers program administered by the Sheriff's department. This program is fully reimbursed to the County by the School System. Additional County appropriation has not been requested.

#### 4) Operations Services

\$160,000 Increase

General Fund Balance Appropriated

This amendment represents the amount estimated for electricity costs for the remainder of this fiscal year. As far as we can determine, additional electrical services have been added this fiscal year that were not known during the FY 2001-2002 budget process. Also, Brunswick Electric Membership Coop implemented a wholesale power cost adjustment that was not known at the time the FY 2001-2002 budget was adopted. County funds in the amount of \$160,000 are involved.

#### 5) Brunswick County 1% Occupancy Tax

\$71,305 Increase

1% Occupancy Tax Revenue

This amendment is for the amount estimated to be collected in excess of budget for the 1% Occupancy Tax revenue as of June 30, 2002. As you know, this revenue is specific to the Brunswick County Tourism Development Authority. We retain 3% administrative costs for collecting this revenue. County funds are not involved.

#### 6) Special Revenue Fund - Interfund Transfers for Debt Payments on Certificates of Participation

\$2,618,258 Increase

Transfer from the General Fund and Water Fund

This amendment is a "bookkeeping" amendment pursuant to a recommendation from our independent auditors. This amount represents the debt service payments already budgeted in the General Fund and Water Fund for certificates of participation debt. We are required to run this debt payment through a Special Revenue fund in accordance with the legal documents of each debt issue. Additional County funds are not involved.

We request the Board's concurrence to amend the FY 2001-2002 Budget Ordinance accordingly.

### VI. PRESENTATIONS

#### 1. Presentation (Lloyd Radcliffe)

Truth In Youth & Family Services.

Mr. Radcliffe was not present for the presentation and was rescheduled for the June 3, 2002 Regular Meeting.

### VII. ADMINISTRATIVE REPORT

#### 1. EMA – Brunswick County Debris Management – (*Randy Thompson*)

Staff recommends that the Board of Commissioners consider authorizing Staff to request proposals for Storm Debris Management Services.

Randy Thompson, Emergency Management Director, explained that this Debris Management would allow the County to contract with a company to provide debris management services and emergency resources in the aftermath of a storm or disaster to help alleviate some of the burden on County employees by allowing them to focus more on the administrative aspect of disaster recovery.

Commissioner Sandifer moved to authorize Staff to request proposals for Storm Debris Management Services. The vote of approval was unanimous.

**2. EMA – Sunset Beach Fire District – (*Randy Thompson*)**

Staff recommends that the Board of Commissioners consider approving a request from the Town of Sunset Beach and the Sunset Beach Fire Department to divide the Sunset Beach Fire District into two (2) insurance districts.

Randy Thompson, Emergency Management Director, explained that residents inside the city limits with hydrants pay the same insurance premiums as those without hydrants. Splitting the district in two sections will allow those residents in hydranted areas to pay a lower premium than those in areas with no hydrants.

Chairman Warren moved to approve the request to divide the Sunset Beach Fire District into two (2) insurance districts. The vote of approval was unanimous.

**3. Public Housing – FY 00 CDBG Program – (*Vonnie Fulwood*)**

Staff recommends that the Board of Commissioners consider setting a Public Hearing for June 3, 2002 at 6:15 p.m. for the close out of the FY 2000 Community Development Block Grant Program.

Vonnie Fulwood, Public Housing Director, explained that the CDBG program activities are near completion. The State requires that prior to submitting closeout documentation to the Division of Community Assistance, a Public Hearing must be held.

Commissioner Sue moved to set a Public Hearing for June 3, 2002 at 6:15 p.m. for the close out of FY 2000 Community development Block Grant Program. The vote of approval was unanimous.

**4. Article 44 One-half Cent Sales Tax– (*Lithia Brooks*)**

Staff recommends that the Board of Commissioners consider approving a resolution enacting the new third one-half cent local option sales tax to become effective July 1, 2003.

Lithia Brooks, Fiscal Operations Director, explained that the State Budget Act of 2001 (Senate Bill 1005) enacted Article 44 of General Statute 105. This article increased the State sales tax by one-half cent in October 2001 as a part of the package to balance the State budget. This new State sales tax is temporary and will sunset on June 30, 2003.

The State's budget balancing package also included a provision that discontinues the State reimbursements to local governments in the 2003-2004 fiscal year. To replace these revenues, the State has authorized counties to enact an additional one-half cent local option sales tax when the State's one-half cent sales tax ends.

Counties may enact the new sales tax any time by resolution of the Board of County Commissioners. However, the new local option sales tax cannot become effective before July 1, 2003. As required by this article, a public hearing was conducted on May 20, 2002.

Commissioner Sandifer moved to approve the Resolution enacting the new third one-half cent local option sales tax to become effective July 1, 2003. The vote of approval was unanimous.

**RESOLUTION LEVYING THE THIRD ONE-HALF CENT (1/2¢)  
LOCAL GOVERNMENT SALES AND USE TAX AND PRESCRIBING**

**THE METHOD OF DISTRIBUTION OF THE PROCEEDS WITHIN  
BRUNSWICK COUNTY**

WHEREAS, The General Assembly has authorized the Brunswick County Board of Commissioners to levy a one-half percent (1/2%) local sales and use tax by enacting N.C.G.S. 105-517(b) in Section 34.14(a) of Session Law 2001-424; and,

WHEREAS, the Brunswick County Board of Commissioners held the public hearing on the issue of adopting this resolution on May 20, 2002, as required by N.C.G.S. 105-517(b) and proper public notice of the Board's intent to consider this resolution was provided as required by N.C.G.S. 105-517(b); and,

WHEREAS, The General Assembly levied a one half percent (1/2%) state sales tax effective October 16, 2001 by enacting Section 34.14(a) of Session Law 2001-424, and this tax expires July 1, 2003, the same day the sales and use tax levied hereby becomes effective, and as a result the Board's action herein will not result in an increased sales and use tax for the consumer; and,

WHEREAS, as of July 1, 2003, Brunswick County will lose approximately \$1.3 million in funds made available by the State of North Carolina to replace revenue lost because of legislative action: (1) to repeal sales taxes imposed on purchases made with Food Stamps; (2) to repeal property taxes imposed on inventories held by manufacturers, retailers and wholesalers; (3) to repeal taxes on intangible personal property; and, (4) to reduce taxes levied on residential property owned by low-income elderly taxpayers; and,

WHEREAS, The Brunswick County Board of Commissioners hereby finds that, particularly in light of the circumstances cited herein, the levy of The Third One-Half Cent (1/2¢) Local Government Sales and Use Tax is necessary to adequately finance the operations of the county and the cities and towns herein.

NOW, THEREFORE, BE IT RESOLVED by the Brunswick County Board of Commissioners:

- (1) There is hereby imposed and levied within Brunswick County The Third one-half cent (1/2¢) Local Government Sales and Use Tax authorized by Section 34.14(a) Session Law and codified as Article 44 of Chapter 105 of the General Statutes of North Carolina. The tax hereby imposed and levied shall apply to the same extent and be subject to the same limitations as are set forth in said Session Law 2001-424.
  - (2) Collection of the tax by the North Carolina Secretary of Revenue, and liability therefore, shall begin and continue on and after the first day of July 2003.
  - (3) The net proceeds of the tax levied herein shall be distributed by the Secretary of Revenue on a quarterly basis to Brunswick County as prescribed by N.C.G.S. 105-520. The amount distributed to Brunswick County shall be divided among the county and the municipalities herein in accordance with the method by which the one percent (1%) sales and use taxes levied in Brunswick County pursuant to Article 39 of General Statutes Chapter 105 are distributed.
  - (4) This Resolution is effective upon its adoption, and a certified copy hereof shall be forwarded to the North Carolina Secretary of Revenue.
- Adopted this 20<sup>th</sup> day of May 2002.

s/Donald E. Warren, Chairman

BRUNSWICK COUNTY BOARD OF COMMISSIONERS

ATTEST

s/Deborah (Debby) S. Gore

Clerk to the Board

**5. Southport Library – Name Change – (Steve Stone) (\*Presented earlier on the Agenda)**

Staff recommends that the Board of Commissioners consider changing the name of the Southport Library to the Margaret and James Harper, Jr. Library as requested by the Library Board of Trustees.

Nancy Keziah, Library Board Chairman, explained that the Harper family has a longstanding tradition of generously contributing time, money, publications and other resources to the library system. The Board of Trustees believes that the best way to acknowledge these immense contributions is to name the Southport Library after Mrs. Margaret Harper and the late Mr. James Harper, Jr. The director of the library system concurs with the request. Since two of our libraries already bear family names, we will be following existing precedent to make this change.

Vice-Chairman Moore moved to approve the name change of Southport Library to the Margaret and James Harper, Jr. Library. The vote of approval was unanimous.

#### **6. East-West Regional Wastewater Project Management – (*Marty Lawing*)**

Staff recommends that the Board of Commissioners consider approving Project Task Orders No. 1B, 10A, and 12A of the Project Engineering and Management Agreement with HDR Engineering, Inc. of the Carolinas and the associated FY 2001-2002 Budget Amendment in the amount of \$646,200.

The County Manager explained that the deadline for prospective partners of the East-West Regional Wastewater System to make a decision to participate in the project was set for April 30, 2002. The Town of Holden Beach has indicated their intent to participate in the regional system by signing an interlocal agreement. A couple of prospective partners are still weighing their options but have not reached a decision. Project planning and management needs to continue without interruption for the project to be completed by December 31, 2004. HDR Engineering, Inc. has presented three task orders for approval so they can proceed with the next phase of work under the agreement.

Task Order No. 1 B entitled Administration of the Program includes in its scope of services the following; Preparation of a Design and Construction Administration Plan, Design Professional Contract Preparation, Design Professional Orientation, Preparation of a Master Schedule for the Project. Preparation of a Design Phase Milestone Schedule, Conduct a Construction Market Survey, Prepare a Project and Construction Budget and cost Analysis, Establish a Project Management Information System, Manage the Design Phase, Manage the Construction Bid and Award Phase, Construction Management and Administration (excluding construction inspection and oversight), and Post Construction Phase (excluding Start-Up and O&M Staff preparation). The proposed compensation for Task Order No. 1 B. is \$575,000.00.

Task Order No. 10A entitled Design Engineer Selection, includes a scope of services which consist of assisting the County in the selection of a Design professional by developing a list of potential firms, developing criteria for selection, preparing and transmitting the requests for proposals, assisting in reviewing written proposals, assisting in conducting interviews, evaluating candidates, ranking proposals and making recommendations. The proposed fee for Task Order No. 10 A is \$20,000.00.

Task Order No. 12 A entitled Grant Acquisition Assistance includes the preparation of applications and supporting documents for federal, state or other grants to provide financial assistance for the facilities to be designed and constructed as part of Phase IA of the Project. Fee not to exceed \$51,500.00.

The total cost of the three (3) Task Orders is \$646,500.00.

Commissioner Sandifer moved to approve Project Task Orders No. 1B, 10A and 12A of the Project Engineering and Management Agreement with HDR Engineering, Inc. of the Carolinas with funds to come from Capital Reserve in the amount of \$646,200. The vote of approval was unanimous.

#### **7. Resolution – Protection of Local Revenues - (*Marty Lawing*)**

Staff recommends that the Board of Commissioners consider adopting a resolution seeking support for legislation to secure local revenues.



Vice-Chairman Moore moved to adopt a Resolution seeking support for legislation to secure local revenues. The vote of approval was unanimous.

## **RESOLUTION REQUESTING THAT LOCAL GOVERNMENT REVENUE SOURCES BE MADE SECURE**

**WHEREAS**, the County of Brunswick is required by North Carolina law to operate and maintain a balanced budget and comply with the provisions of the Local Government Budget and Fiscal Control Act; and

**WHEREAS**, the County of Brunswick is required to maintain a sufficient fund balance to operate in a fiscally sound manner and to have adequate reserves in case of emergencies; and

**WHEREAS**, the Brunswick County Board of Commissioners have a responsibility to provide for the health, safety and well being of the citizens of this community by providing necessary services; and

**WHEREAS**, the ability of county governments to borrow for capital infrastructure needs is dependent on reliable revenue sources for repayment; and

**WHEREAS**, adequate revenues are required to carry out the above mentioned responsibilities; and

**NOW, THEREFORE, BE IT RESOLVED** that the Brunswick County Board of Commissioners respectfully requests that the General Assembly enact legislation that will secure the local government revenue sources and ensure that these revenues are distributed to local governments on a timely basis as set forth by the state's General Statutes.

This the 20<sup>th</sup> day of May 2002.

Brunswick County Board of Commissioners

s/Donald E. Warren, Chairman

Attest:

s/Deborah S. (Debby) Gore, Clerk to the Board

### **8. Northeast Wastewater Treatment Facilities – Change Order #2 - (*Jeff Phillips*)**

Staff recommends that the Board of Commissioners consider approving Change Order No. 2 for the Northeast Regional Wastewater Project in the amount of \$56,527.00 as recommended by W.K. Dickson.

Jeff Phillips, County Engineer, explained that poor soil was unsuitable and in discussion with the partners, the 8-inch force main and the 10-gravity sewer would have to be suspended on wooden pilings so as not to delay the project or delay the partners.

Commissioner Sue moved to approve Change Order No. 2 for the Northeast Regional Wastewater Project in the amount of \$56,527.00 with funds to come from the project contingency fund. The vote of approval was unanimous.

## **VIII. BOARD APPOINTMENTS**

**1. Brunswick County Nursing Home and Adult Care Community Advisory (2 appointments)**

Commissioner Sue nominated Shirley Kotlarz. Commissioner Sandifer moved to close the nominations. The vote of approval was unanimous. Commissioner Sandifer moved to approve the appointment of Shirley Kotlarz. The vote of approval was unanimous. Ms. Kotlarz will fill the unexpired term of Noel Chisholm that will expire February 1, 2003.

**2. Social Services Board (1 appointment)**

Commissioner Sue nominated James W. McCoy. Commissioner Sandifer moved to close the nominations. The vote of approval was unanimous. Commissioner Sandifer moved to approve the appointment of James W. McCoy. The vote of approval was unanimous. Mr. McCoy will serve another three-year term that will expire June 30, 2005.

**3. Brunswick Community College (1 appointment)**

Commissioner Sue appointed William P. Rabon. Commissioner Sandifer moved to close the nominations. The vote of approval was unanimous. Commissioner Sandifer moved to approve the appointment of William P. Rabon. The vote of approval was unanimous. Mr. Rabon will serve another four-year term that will expire June 1, 2006.

**4. Region O Area Agency on Aging Advisory Council (2 appointments, District 1,3,5)  
(Tabled under Adjustments to the Agenda)**

**IX. COUNTY ATTORNEY'S REPORT**

**1) Closed Session**

**6:58 p.m.** Commissioner Sandifer moved to enter Closed Session pursuant to G.S. 143-318.10 (a) pending and potential litigation.

Chairman Warren called a five-minute recess.

**7:55 p.m. Reconvened**

Chairman Warren called the Open Session back to order and announced that no action was taken.

**X. OTHER BUSINESS/INFORMAL DISCUSSION**

There was no other business to discuss.

**XI. ADJOURNMENT**

**7:56** Commissioner Sandifer moved to recess the Regular Meeting until May 30, 2002 at 5:30 p.m. in the Commissioners Chambers, County Government Center, Bolivia, NC. The vote of approval was unanimous.

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Donald E. Warren, Chairman

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Deborah (Debby) Gore, Clerk to the Board